

TOWN OF NORTHFIELD, VERMONT
SELECT BOARD REGULAR MEETING
Minutes of November 9, 2021

- I. ROLL CALL.** Select Board Chair K. David Maxwell, Board members Julie H. Goodrich, Nathaniel Miller (absent), Charles Morse, and John Stevens. Also present were Town Manager Jeff Schulz, Acting Clerk Kenneth McCann, Laurie Baroffio (Finance Director), Andrew Bachand CPA (Kittell Branagan & Sargent), Kristen Gadbois (Vermont Department of Economic Development/NCDN), Kaitlyn Keating (NCDN), Jean Kerner (NCDN), Kahwa C. Douoguih (NCDN), Erin Hicks-Tibbles (NCDN), Carolyn Stevens (NCDN), David Packie, Merry Shernock, Lydia Petty, Linda Brodasky, Deborah Zuaro, and Elroy Hill.

Chair Maxwell called the meeting to order at 7:00 p.m. Participants had the option of attending the meeting either in person or remotely through Go-to-Meeting.

- II. PLEDGE OF ALLEGIANCE.** Those persons present were asked to rise and recite the Pledge of Allegiance. The remote contingent also participated as much as possible.

- III. SET/ADJUST AGENDA.** There were no changes to the posted agenda.

- IV. PUBLIC PARTICIPATION (SCHEDULED):**

- a. Andrew Bachand CPA, Kittell Branagan & Sargent: FY 2020/2021 Financial Audit Reports.** Mr. Bachand is a co-managing partner in accounting firm Kittell Branagan & Sargent for which he has worked for thirty-five (35) years. He added that this accounting firm has performed the outside audit for Northfield for the past eight (8) years or so. As in the past, the process went very well this year. Mr. Bachand said the firm's accountants sent to Northfield in order to perform the audit actually enjoyed doing it because Finance Director Baroffio and her staff were very helpful and prepared for any questions they might have. He added that Ms. Baroffio has a good handle on the municipality's financial situation and keeps in contact with Kittell Branagan & Sargent throughout the year to keep them informed of any new developments, etc. Mr. Bachand said the resulting audit was an unmodified opinion that was free from any material misstatements. He then provided a brief overview of the financial audit and mentioned some special conditions during the 2020/2021 fiscal year that affected both revenue and expenditures. Mr. Bachand noted the municipality ended the fiscal year with a favorable revenue balance of \$337,243. The expense budget had a favorable balance of \$274,227. The special conditions to which Mr. Bachand referenced included payments to the Northfield Ambulance Service (NAS) for conducting COVID-19 testing, personnel cost reductions in the Northfield Police Department (NPD), unanticipated state funds provided the Highway Department, the municipal pool not opening in summer 2020 due to the pandemic, etc. The total budget had a favorable balance of \$550,362 and Mr. Bachand thought that was very good. He then asked if there were any questions.

Board member Goodrich did not have any questions but thanked Mr. Bachand and Ms. Baroffio for the favorable audit report. Board member Morse asked why prepaid property taxes were indicated in the report as "unavailable revenue." Mr. Bachand said the collected tax funds were for the following fiscal year (2021/2022) so they couldn't be disbursed until after current fiscal year ended. Board member Stevens did not have any questions but also was grateful for the favorable report. Chair Maxwell asked why a long-time liability table showed a big jump in future debt amounts after a few years. Mr. Bachand said that after five (5) years, the table switched to multi-year totals rather than single years. Chair Maxwell then thanked Mr. Bachand for the good report on the municipality's finances.

Mr. Bachand said this audit was the first under GASB 84 and this required a slight change in that agency funds had to be treated as custodial funds. The next audit will have another change with GASB 87, which will require different reporting on municipal leases on equipment, vehicles, etc. Such agreements would be treated as both assets and liabilities. Mr. Bachand did not feel this would be a major issue for Northfield and he will work with Ms. Baroffio on this. Mr. Bachand then discussed the impact of American Rescue Plan Act (ARPA) funds on future audits. He said if more than \$750,000 in federal funds are spent in one fiscal year, it would require a separate "single audit" for the municipality in addition to the usual audit. The additional auditing cost probably would be between \$4,000 and \$5,000. Manager Schulz noted the municipality is expected to receive \$1,900,000 in ARPA funds over the next two years. Mr. Bachand said depending on how these funds are dispersed, there might be the need for only one "single audit" or this might be required for a few years. Kristen Gadbois was pleased with the favorable audit and asked what was happening with the ARPA funds the municipality already has received. Manager Schulz said they were being tracked in a separate account until it is determined what can be done with them prior to the December 31, 2026 deadline for expending the total amount. Chair Maxwell again thanked Mr. Bachand for tonight's favorable report and valuable information. Mr. Bachand said that the Northfield municipality was one of their favorite clients due to the quality of work done in preparation of their arrival and the easy encounters the auditors always have with the municipal staff. Chair Maxwell said that was a testament to Ms. Baroffio and her staff.

V. APPROVAL OF MINUTES

- a. **October 26, 2021 (Regular Meeting).** Motion by Board member Morse, seconded by Board member Stevens, to approve the minutes. **Motion passed 4-0-0.**

VI. APPROVAL OF BILLS

- a. **Approval of Warrant #09-22.** Motion by Board member Morse, seconded by Board member Stevens, to approve Warrant #09-22 in the amount of \$340,415.02. It was noted that of the total warrant amount, \$207,471 represented power purchased for the Northfield Electric Department (NED) for future resale. Board member Stevens noted a repair bill for 2021 Fire Department tanker truck. He asked if this vehicle was not still under warranty. Manager Schulz said he had the same question and he will check into this. Board member Stevens noted the Highway Department's 2014 Western Star has seen many repairs in recent months. The Select Board members might need to discuss its possible replacement during the upcoming budget meetings. Chair Maxwell noted a payment to DT Investigators for professional services. Manager Schulz said that was related to an ongoing NPD arbitration case. Chair Maxwell also noted a payment to upgrade the surveillance cameras at the Police Station. The funds will come out of the NPD Capital Improvement Plan (CIP) budget account. **Motion passed 4-0-0.**
- b. **Approval of Warrant #09-22A.** Motion by Board member Morse, seconded by Board member Stevens, to approve Warrant #09-22A in the amount of \$22,558.18. This is a payment on the Depot Square Improvement bond note. Board member Stevens asked if this was the last payment on this. Manager Schulz said the final payment won't be until FY 2034/2035. **Motion passed 4-0-0.**
- c. **Approval of Biweekly Payroll through October 31, 2021.** Motion by Board member Morse, seconded by Board member Stevens, to approve the biweekly payroll in the amount of \$98,701.23. **Motion passed 4-0-0.**

VII. SELECT BOARD

- a. **Northfield Business Handbook.** Chair Maxwell said this matter was discussed at a recent meeting (10/28/21) of the Economic Development Subcommittee, on which he and Board member Morse serve. Board member Morse said the subcommittee discussed the proposal to create a Northfield Business Handbook with the members of the Northfield Economic Development Network (NCDN) present.

The subcommittee decided to support the proposal that would have NCDN members draft the handbook and afterwards create a web platform for a cost of no more than \$10,000. Board member Morse said there is no single place where potential entrepreneurs seeking to do business in Northfield can go to navigate the various state and/or local regulations affecting their particular businesses. Board member Morse felt this project could be done quickly and will be a great assistance to existing businesses looking to expand or to new businesses looking to establish themselves in Northfield. The business handbook will be available in printed copies and also have an online version with links to various forms, agencies, etc.

Board member Goodrich had understood that the NCDN members would be drafting this document at no cost to the municipality. We are now looking at a \$10,000 price tag. Board member Morse said there had been hopes that the former Economic Development Director (Jon Ignatowski) would have been able to develop this document in-house. However, the project was still in the planning stages when he had to leave the municipality's employ due to health issues. Board member Morse felt it was now important that NCDN members be authorized to create the handbook as soon as possible. Board member Goodrich asked if the \$10,000 request was for the next fiscal year budget. Chair Maxwell said that was his understanding. Board member Morse believes there are available funds in the current fiscal year budget so there would be no need to wait until the start of the next fiscal year in July 2022. He would like this project started and the new handbook completed and distributed long before then. Board member Goodrich believes that anyone starting a new business should be able to hire an attorney, engineer, and/or developer to help with all the legal and regulatory requirements. In addition, since state regulations seem to change every few months, there is a chance that the handbook would be out-of-date before too long. Board member Morse felt that municipal staff should be able to update the document whenever necessary. He also did not believe that someone looking to start a small business should have to spend a lot of capital on professional services before even knowing if the business proposal was feasible. Putting all the needed information in one document would be very helpful to someone at the initial planning stages. This would be a living document that would be continuously updated. Board member Morse felt such a document would not have been possible pre-merger as there had been different rules in place then for the Town and Village.

Board member Stevens believes the needed expense could be taken out of existing economic development funds. He would like the municipality to get moving on this. Chair Maxwell said NCDN did provide a detailed project proposal including a timeline for the various phases. His only concern is the cost and he asked if this would be an appropriate use of economic development funds. Manager Schulz said that would be the logical source of funding if this project is to be undertaken in the current fiscal year. There might be other surplus funds in the current budget and he would have to look into this. Board member Morse asked if ARPA funds could be used for this purpose. Manager Schulz said the project does fit certain ARPA criteria including helping businesses recover from the pandemic as well as general local economic development. Board member Morse asked if this would answer some of Board member Goodrich's concerns. Board member Goodrich said whatever the source it still would be taxpayer money and she doesn't see this as a justifiable expense.

Ms. Gadbois believes the business handbook would create opportunities for new or expanding local businesses. The NCDN members who would work on this do have the training and expertise to do a good job. The finished product would be a great asset to budding entrepreneurs and have the potential to result in significant local economic development. Kaitlyn Keating (NCDN) understands the concern about using taxpayer money but believes the potential benefits outweigh the cost. She also doesn't feel someone thinking of starting a business should have to hire an attorney, etc. when the municipality could provide the information for free.

Motion by Board member Morse, seconded by Board member Stevens, to approve the NCDN proposal for a Northfield Business Handbook with immediate implementation and authorize up to \$10,000 for this purpose. Board member Morse felt this was a smart way to invest in Northfield's economic future. He also believes previous Town Select Boards took various actions that had the effect of driving certain businesses out of town. This is a good way to rectify that situation and prevent a recurrence. **Motion passed 3-1-0, with Board member Goodrich voting in opposition.**

- b. Economic Development Director Position.** Chair Maxwell said Northfield hired its first Economic Development Director last year after voter authorized establishing the part-time position at the March 2020 Town Meeting. Mr. Ignatowski served in this role with distinction until he had to resign. The municipality advertised for his replacement but it was felt none of the applicants were sufficiently qualified to hold the position. After some discussion of the possible reasons for this, Chair Maxwell feels it is now necessary to enhance this position by making it full-time. This would allow the municipality to recruit and retain a suitable candidate.

Motion by Board member Morse, seconded by Board member Stevens, to make the Economic Development Director position in Northfield full-time with up to thirty-five (35) hours per week. Board member Goodrich believes the last conversation she took part in regarding the Economic Development Director position was over a failed proposal to combine this part-time position with another one (Zoning Administrator). She doesn't feel a full-time Economic Development Director would have the ability to increase the local Grand List sufficiently to justify the additional expense. With benefits, the full-time position would cost \$82,000 annually as compared to \$29,000 for the part-time position. Board member Goodrich also noted when NAS Chief Lawton Rutter requested a second full-time employee in his department, he was told this was a budget decision and would have to be made when the next fiscal year's budget was being developed. She feels creating this new full-time position in this manner would break this precedent and not enough time has passed to be able to determine whether the expense of even a part-time Economic Development Director can be fiscally justified. Chair Maxwell doesn't believe this action would violate any board policy. Manager Schulz agreed that there is no written policy that would prevent this action. There has been a reluctance in the past to create new positions due to budgetary concerns. Chair Maxwell believes this Select Board has done due diligence in the past to help keep tax rates as low as possible. He believes there are funds in the current fiscal year budget to finance this new full-time position. Chair Maxwell felt Jon Ignatowski in his brief time here was very successful as a part-time employee and provided the proper person is found to fill the position, he believes a full-time Economic Development Director could do much more to assist local economic development. Chair Maxwell believes this is a warranted expense and a solid investment in Northfield's future.

Board member Morse noted a job description for the full-time position will need to be developed so it could include some new duties such as grant writing, etc. Board member Stevens said Mr. Ignatowski did some grant applications while he was here and the total amount of grant funds awarded was more than four (4) times his compensation. He believes Northfield is losing money every day there is not an Economic Development Director in place. Chair Maxwell thinks there are sufficient funds in the current fiscal year budget to cover this expense. Manager Schulz confirmed that about three-fourths of the Economic Development Director personnel budget has not been expended and this could fund a full-time employee from January 2022 through the end of the current fiscal year on June 30, 2022.

Board member Morse asked if Manager Schulz supported this proposal. Manager Schulz said based on the municipality's current financial situation and the advocacy of local economic development groups, he does feel this would be a good idea at this time. He does have concerns about the long-term fiscal implications but the influx of federal and state funding in the next couple years makes it feasible in the short-term. Board member Morse doesn't want other Vermont communities getting ahead of Northfield while the Economic Development Director remains vacant. Chair Maxwell also would like to move forward on this as soon as possible.

Ms. Keating said the NCDN did envision a full-time Economic Development Director originally but later decided to put only the part-time position up for voter authorization as a fallback position after the Select Board members at that time expressed their opposition. Ms. Gadbois believes there is a great opportunity now for local economic growth given the large amounts of federal and state funds coming to the community. She felt the municipality should not remain committed to "business as usual" but rather take this action to move forward rather than stay stagnant. Carolyn Stevens (NCDN) believes there are many activities that could occupy the full-time Economic Development Director's time in addition to grant writing. This could include working directly with existing businesses, associating to a greater extent with regional economic development organizations (such as the Central Vermont Economic Development Corporation), taking steps to encourage the development of additional affordable housing in Northfield, etc. The full-time Economic Development Director could be very transformative figure as this community moves into the future. **Motion passed 4-0-0.**

- c. **Northfield Snowmobilers Incorporated (NSI) Trail Requests (Well Field, Fairground Road, & South View Road).** Manager Schulz said NSI has made its annual request for the municipality's permission to connect its trail system by permitting snowmobile use through the Well Field and along short sections of Fairground Road and South View Road. Utility Superintendent Patrick DeMasi has put together a list of conditions for allowing the trail to go through the Well Field. These conditions have been followed in the past with no problems. Motion by Board member Morse, seconded by Board member Stevens, to permit snowmobile use through the Well Field, Fairground Road, and South View Road. **Motion passed 4-0-0.**

VIII. TOWN MANAGER'S REPORT

- a. **Infrastructure Investment and Jobs Act.** Manager Schulz said now that the federal infrastructure bill has been approved, it is estimated that about \$2,200,000,000 will be coming to Vermont for repairs to bridges and roads; improve high-speed broadband internet access; municipal water and sewer improvement projects; etc. As with the ARPA funds, there still are questions regarding the type of local projects that would be eligible for these funds. Given the current low interest rates, this would be a good time to invest in new water and sewer lines and other infrastructure projects. Using these new funds also would free up the previously awarded ARPA funds for other purposes.
- b. **FY 2021/2022 Municipal Budget.** Manager Schulz said the initial draft budget has nearly been completed. He plans to present it to the Budget & Financial Review Subcommittee members (Board members Goodrich and Morse) when they meet next Tuesday (11/16/21). Once the subcommittee members have provided their views on the initial draft, it will be presented to the other Select Board members for review. Board member Morse asked if recent increases in the cost of fuel, materials, etc. has been incorporated in the proposed budget. Manager Schulz said they have been taken into consideration.
- c. **Well and Pump Inspection Report.** Manager Schulz said an engineering firm conducted an inspection of the Northfield Water Department's wells and pumps and their findings were very positive. The municipal water system is running well and this is a credit to Utility Superintendent Patrick DeMasi and his crew.

- d. Northfield Wastewater Treatment Facility (WWTF) Permit.** Manager Schulz said the State of Vermont has renewed the WWTF permit after a full inspection. The Vermont Agency of Natural Resources (ANR) in recent years has put great emphasis on reducing the amount of phosphorus being released back into waterways by treatment plants. The Northfield WWTF was able to meet this higher standard since local stormwater diversion projects have greatly reduced the amount of untreated stormwater reaching the WWTF.
- e. Cross Brothers Dam Removal Project.** Manager Schulz said he continues to work with the Vermont Natural Resources Council (VNRC) on trying to obtain outside funding in order to finance this project. The dam removal would have many local benefits including flood mitigation, riverbed restoration, and improved fish migration.
- f. Household Hazardous Waste Collection.** Manager Schulz said Mountain Alliance and Casella Waste Management will be holding the second of two (2) collection events this year behind the Northfield Fire Department (128 Wall Street) on Saturday, November 13, 2021, from 8:00 a.m. to 1:00 p.m. This event is open only for residents of Randolph, Braintree, Brookfield, Roxbury, and Northfield. The full list of materials that will and will not be accepted is on the municipal website and has been posted on Front Porch Forum.
- g. Winter Parking Ban.** As stipulated in the Northfield Traffic Ordinance, the winter parking ban will start on November 15, 2021 and end on April 15, 2022. Vehicles cannot be parked on town streets between the hours of midnight and 6:00 a.m. Board member Stevens asked if this included trailers parked on the street. Manager Schulz confirmed it did.
- h. Bellemore Road Discontinuance.** As authorized by the Select Board members, the municipality is moving forward with the process of privatizing this one-house road. This action was requested by the property owners. The required site visit will be held at 4:00 p.m. on Tuesday, December 14, 2021 and a public hearing held later that day at 7:00 p.m. in the Community Room as part of a Select Board regular meeting. All the required notifications to abutting property owners and relevant agencies will be made beforehand.

IX. BOARD MEMBERS' COMMENTS, CONCERNS, QUESTIONS

- a. Labor Day Observances Committee.** Chair Maxwell noted that tomorrow night (11/10/21) the group that organizes the annual Labor Day Weekend Festivities will be meeting in the Community Room at 5:30 p.m. to discuss the future of the annual celebration. The lack of sufficient numbers of volunteers has made this problematic in recent years.
- b. Halloween Truck or Treat.** Chair Maxwell wanted to thank the organizers and participants in this year's event on the Common. He has heard that between three and four hundred (300-400) youngsters took part in the candy distribution.
- c. Upcoming Commemorations.** Board member Morse noted tomorrow will be the anniversary of the founding of the Marine Corps in 1775. Thursday (11/11/21) will be Veterans Day and Board member Morse wished well to all Northfield residents who served their country in uniform. The local American Legion will be holding a short commemoration on the Common starting at 11:00 a.m.

X. PUBLIC PARTICIPATION (UNSCHEDULED). There was none.

XI. ADJOURNMENT. Motion by Board member Morse, seconded by Board member Stevens, to adjourn. **Motion passed 4-0-0.**

The Board adjourned at 8:45 p.m.

Respectfully submitted,

Kenneth L. McCann

Kenneth L. McCann, Acting Clerk

An audio recording of this meeting is available in the Town Manager's Office.

These minutes were approved at the Select Board regular meeting of November 23, 2021.